

United States
Department of
Agriculture

Risk

INFORMATIONAL MEMORANDUM: IS-09-001

TO: All Approved Insurance Providers

Management Agency Field Offices
Agency

All Other Interested Parties

1400 Independence

Avenue, SW Stop 0801 Washington, DC 20250-0801

FROM: William Murphy /s/ William Murphy 1-7-2009

Deputy Administrator for Insurance Services

SUBJECT: Claims Advisory – Prevented Planting Wheat Acreage after Soybeans

BACKGROUND:

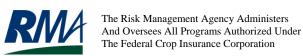
The Risk Management Agency (RMA) has received reports that some producers in Missouri have been unable to plant wheat acreage due to the delayed harvest of their soybean acreage. In some areas, producers have already been reporting this scenario as prevented planting wheat to the Farm Service Agency (FSA). For most of Northern Missouri, soybean planting was delayed due to an extremely wet spring. This delay in planting soybeans resulted in unharvested soybean acreage delaying normal wheat planting operations. This situation may not be limited to this specific area and crop.

The crop insurance policy does not provide prevented planting coverage for acreage a producer is unable to plant to a subsequent crop when the previous crop is immature. The delay in harvesting a spring-planted crop from the previous crop year must be due to adverse weather conditions. Weather conditions have been relatively normal throughout October and November for most of Northern Missouri. Procedure that addresses prevented planting coverage for a fall crop intended to be planted following a spring-planted crop from the prior crop year is found in Section 4J of the 2008 Prevented Planting Loss Adjustment Standards Handbook, FCIC-25370:

"An insured producer may be entitled to a PP payment for a crop with a fall-planting date that was prevented from being planted by the FPD due to adverse weather preventing harvest of a mature spring-planted crop, provided other producers with acreage having similar characteristics in the surrounding area were also prevented from harvesting a mature spring-planted crop (due to adverse weather)."

Accordingly, approved insurance providers (AIPs) must determine when the inability to plant a fall crop after a spring-planted crop is due to an insured peril or because the spring-planted crop is immature.

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ACTION:

AIPs must independently determine prevented planting eligibility and payments based on Federal Crop Insurance Corporation-issued policies, procedures, information provided by the policyholder, and other generally available supporting evidence such as weather records, etc. AIPs must differentiate between acreage that was prevented from being planted due to adverse weather conditions and acreage that was unable to be planted due to the existence of an immature soybean crop. For acreage for which planting was prevented due to adverse weather conditions, AIPs must indicate in their documentation that the spring-planted crop was mature and adverse weather conditions prohibited the harvesting in time to plant a fall crop. If the producer elects to report acreage to FSA, the AIPs may use the FSA acreage report as supporting documentation only and must not rely on the FSA acreage reports as the only evidence supporting or denying a prevented planting claim.

If you have questions, please contact the RMA Regional Office.

DISPOSAL DATE:

This Claims Advisory will remain in effect until December 31, 2009.